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18 July 1965

HIGHLIGHTS

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The joint communiqué concerning Chinese economic assistance to the DRV issued on 17 July appears calculated to convey the impression that Peiping and Hanoi have moved still closer together. Soviet Premier Kosygin's latest denunciation of US actions in Vietnam is tough and hard hitting but does not appreciably increase Moscow's commitment to aid the DRV.

I. The Military Situation in South Vietnam: Guam-based B-52 bombers of the Strategic Air Command yesterday conducted a massive raid against a suspected Viet Cong troop area at Mang Yang Pass near the Pleiku - Binh Dinh Province border, in support of a ten-battalion ARVN road clearing operation along strategic Route 19 (Para. 1). Communist guerrillas yesterday mounted simultaneous attacks against five government outposts ringing the district capital of Son Ha, in coastal Quang Ngai Province (Para. 2).

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Mortar attacks were reported yesterday against a beleaguered government paramilitary camp at Duc Co, in Pleiku Province, and against an ARVN regimental headquarters at Phu My, in Phuoc Tuy Province (Para. 3). Viet Cong saboteurs cut Route 15 between Bien Hoa air base and the port city of Vung Tau in ten separate places during the past week end (Para. 4). Continued skirmishing has been reported between US marines and the Viet Cong near Da Nang air base (Para. 5). Viet Cong terrorists have been reported active in Binh Thuan Province, and in the city of The 52nd Ranger battalion has Da Nang (Para. 6). completed sweep operations in Binh Duong Province, and final casualty figures for both sides have been received (Para. 8). Government forces have scored favorable results in a large-scale search-and-destroy operation conducted against Communist units in Binh Thuan Province on 14-15 July (Para. 9). Officially confirmed Communist military activity during 15-16 July was characterized by mortar shellings of district towns, friendly troop encampments, and outposts, and by mine detonations against civilian and military personnel (Para. 10).

II. Political Developments in South Vietnam:
Government suspension of three Saigon newspapers,
including the principal organ of militant Vietnamese
Catholic circles, may arouse increased hostility
among Catholic extremists, already dubious of the
government's version of the killing of Colonel Pham
Ngoc Thao (Paras. 1-2).

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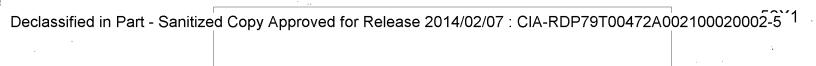
Buddhist leader Tri Quang may
be weighing not only his support for the new military government, but his attitude toward the prospects of the war in general (Paras. 3-4). In conversations with US officials, Premier Ky has singled
out the rice situation and the issue of black-market
currency as his two greatest economic problems (Para. 5).

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III. Military Developments in North Vietnam:
US Navy and Air Force planes hit a variety of targets on 17 and 18 July, including port facilities
at Ham Rong and Ben Thuy, the ordnance depot at Yen
Bay, and barracks areas at Ban Xom Lom and Vinh Son.
Armed route reconnaissance missions hit a number of
fixed targets including support facilities and trucks.

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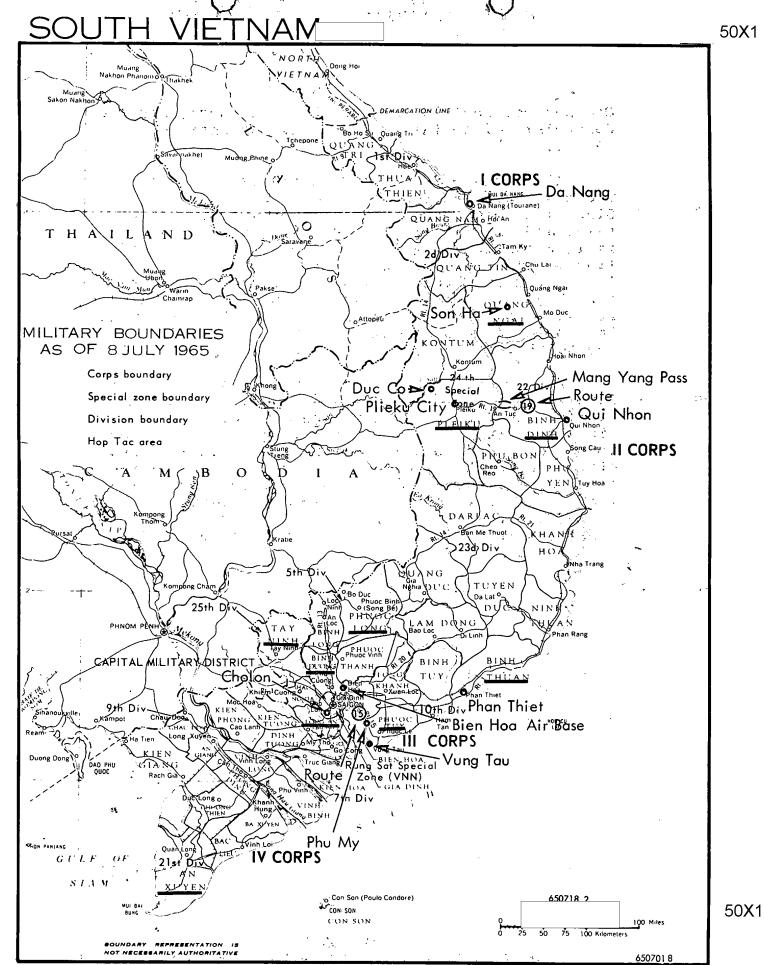
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One A6A was lost in the strike on Ham Rong, and the Communists claim the two-man crew was captured (Paras. 1-3).

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V. Communist Political Developments: The joint Sino-Vietnamese communiqué concerning economic assistance issued on 17 July, and a speech by DRV Vice Premier Hoan at a Peiping banquet the same day appear designed to indicate that the Chinese Communists and North Vietnamese are moving still closer together (Paras. 1-3). Soviet Premier Kosygin's latest denunciation of US actions in Vietnam employed tough, hard-hitting language but did not appreciably increase Moscow's existing commitment to assist the DRV (Paras. 4-6).



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I. THE MILITARY SITUATION IN SOUTH VIETNAM

- Twenty-seven Guam-based B-52 jet bombers of the Strategic Air Command delivered more than 500 tons of bombs yesterday against a suspected Viet Cong concentration area at Mang Yang Pass along lateral Route 19 near the Pleiku - Binh Dinh Province border. The primary objective was to support ARVN clearing operation along a ten=battalion Route 19 from the port of Qui Nhon inland to the II Corps headquarters at Pleiku. ARVN units have thus far failed to encounter guerrilla opposition, suggesting that the raid may have achieved considerable success in driving Viet Cong units from ambush positions along the strategic highway. supply convoy carrying food, fuel, and ammunition reportedly arrived safely at Pleiku from Qui Nhon via Route 19 today--the fist time in nearly two months that such a trip has been possible...
- 2. Communist guerrillas simultaneously attacked five government outposts yesterday near the district capital of Son Ha, 350 miles northeast of Saigon, in coastal Quang Ngai Province. One of the outposts was reportedly overrun, with undetermined casualties. Government defenders at the other four outposts apparently held their ground. No further details have been received.
- 3. Mortar attacks were reported yesterday against a beleaguered government paramilitary camp at Duc Co, in the northwestern region of central Pleiku Province, and against an ARVN regimental headquarters of Phu My, 25 miles southeast of Saigon, in Phuoc Tuy Province. Friendly casualties in both engagements were believed to be light.
- 4. Viet Cong saboteurs during the week end blew up seven bridges and erected three road blocks along Route 15 between Bien Hoa air base, near Saigon, and the port city of Vung Tau, 35 miles southeast of the capital. Long stretches of the highway were closed to military and civilian traffic as a result.

- 5. Two platoons of US marines on a routine patrol mission eight miles south of Da Nang air base were ambushed last night by a Communist force of undetermined strength. Eleven Viet Cong were killed in the fire fight that ensued. Friendly casualties were described only as "light." The marines were supported by artillery concentrations and tactical air strikes.
- 6. A Viet Cong terrorist reportedly escaped after throwing a hand grenade at the quarters of an American Special Forces adviser in Phan Thiet, the capital of Binh Thuan Province, 100 miles northeast of Saigon yesterday. There were no injuries. The official Vietnamese news agency announced yesterday that four Vietnamese were killed and 20 wounded early last week by a terrorist grenade thrown into a crowded tea room at Da Nang.
- 7. Four USAF F-100 Supersabres yesterday bombed and strafed a large Viet Cong encampment 15 miles southwest of Saigon's Tan Son Nhút airport, near the capital suburb of Cholon. Forward air controllers reported a "large" number of Viet Cong killed, 30 buildings destroyed, 8 damaged, and 10 gun emplacements destroyed.
- 8. The 52nd Ranger battalion has completed a sweep of the area in Binh Duong Province where an estimated Viet Cong battalion attacked an ARVN regimental headquarters and a subordinate infantry battalion on 15 July. No contact was made with the enemy. Official casualty figures for the 15 July engagement are 69 killed (2 US), 73 wounded (4 US), and 26 missing. Four M-113 armored personnel carriers were destroyed and five damaged. An estimated 100 Viet Cong killed and wounded were reportedly carried away.
- 9. Elements of the 2nd ARVN Division killed 19 Viet Cong, captured six, and detained ten suspects

during a large-scale search-and-destroy operation conducted on 14-15 July in Binh Thuan Province. Three government soldiers were killed and one wounded.

- 10. MACV's military reports for 15 and 16 July show a total of 106 Communist-initiated incidents, 22 of which occurred during the 48hour reporting period. Sixty- and 81-mm. mortar fire was placed on a district town in Phuoc Long Province, on ARVN troop concentrations in Phuoc Tuy and Binh Duong provinces, and on Regional and Popular Forces outposts in Long An and An Xuyen provinces. Mine detonations against a civilian bus in Binh Dinh Province, and against government troops and convoys in Binh Duong, Tay Ninh, and Long An provinces resulted in friendly casualties of four killed and 21 wounded. Small-scale terrorism, hamlet entry and harassment, small arms harassing fire, and sabotage of communication centers continued throughout the countryside.
- 11. US and Vietnamese air strikes against Viet Cong targets in the four corps tactical zones of South Vietnam on 15-16 July resulted in an estimated 390 guerrillas killed, 178 structures destroyed, 112 structures damaged, and two sampans destroyed.

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

A government order suspending three Saigon daily newspapers coming on the heels of the killing of inveterate coup plotter Colonel Pham Ngoc Thao, may arouse further animosity in Vietnamese Catholic refugee Among the three papers affected was Xay Dung, a mouthpiece for the more militant northern refugee priests; the other papers were Chinh Luan, published by Dang Van Sung, a northern Dai Viet politician close to former Premier Quat, and Tien, also a political publication. According to Psychological Warfare Minister Dinh Trinh Chinh, the papers were suspended for printing "harmful stories" concerning the alleged "sacking" of rice stores in Hué and Da Nang by government-sponsored youth vigilantes. Dung received double the suspension of the other two papers--20 as opposed to 10 days--for an editorial campaign attacking the government for inability to cope with "lawlessness."

2. Some militant Catholic sources
have already questioned the government's terse an-
nouncement that Colonel Thao died of wounds received
when he was ambushed by government troops about 12
miles northeast of Saigon. These Catholics maintain
that Thao was arrested while eating in a monastery
about 10 miles from Saigon and shot.

Thao was first wounded by some of his own followers, presumably seeking the reward offered by the government for his capture. This account alleges that Thao was subsequently apprehended by police and Military Security Service agents alerted to his presence in a village where he had sought a priest to administer last rites. He was reportedly then shot in the head while trying to escape government detention, and died shortly afterward. Although the government version may continue to be questioned by Catholic circles, there is so far no threat by Catholic extremists to mount a public protest.

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a conversation held early this month between American delegates of the Fellowship of Reconciliation and South Vietnamese Buddhist leaders suggest that Tri Quang, and possibly other influential Vietnamese Buddhists, are weighing their attitudes not only toward the new government, but toward the war in general. At that meeting, the Buddhist leaders reportedly spoke ambiguously about the alternatives of peace and further escalation of the war, and of the possibility of survival under Communism.

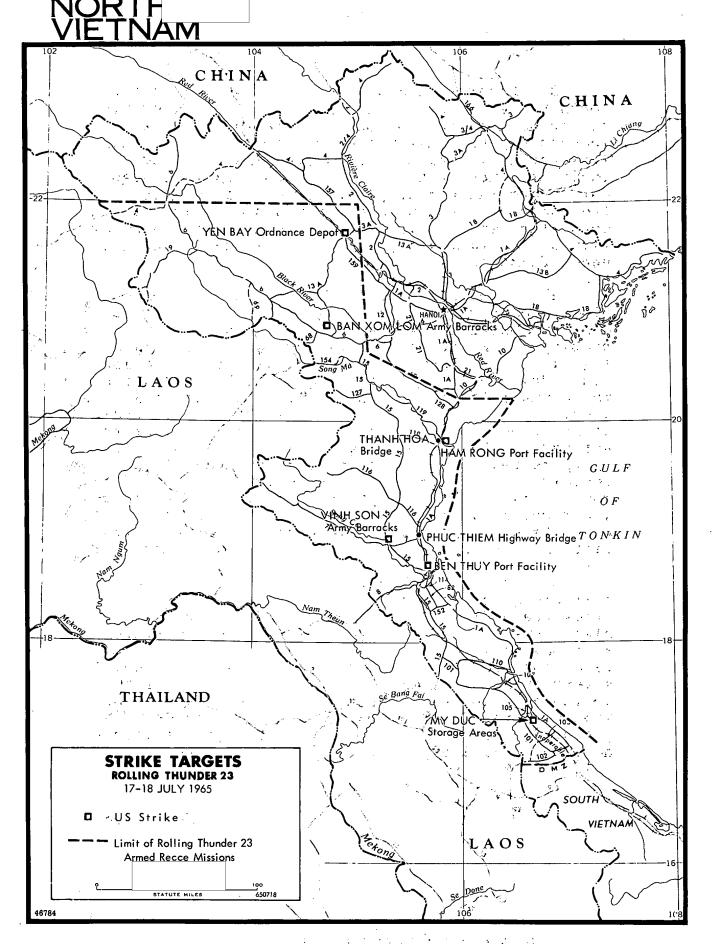
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remarks of Quang in which he claimed that war-weariness was again increasing as the bombings of North Vietnam failed to reduce the fighting in the South, and that further escalation could drag the US into a large guerrilla war which the Communists were better prepared to face than the Americans. Quang allegedly stated that peace could be achieved either by "rapid and powerful military action" involving more than 250,000 US troops, or by using religion to counter the Viet Cong in a peaceful way. Quang claimed the latter course would employ a host of psychological warfare methods, and require close cooperation with the Buddhists, which he doubted the US would accept because of its distrust and fear of Buddhist ultranationalism.

5. Premier Ky has told Secretary McNamara that his government's major economic problem, after the difficult rice situation, was that of black-market currency. The Saigon government, in a formal meeting with the visiting US mission, also singled out the black-market issue for special attention. The US Embassy feels that this points up the need for early negotiations, which have now been authorized, on questions of dollar conversion rates, a limited free access market, and the introduction of military scrip for US servicemen.



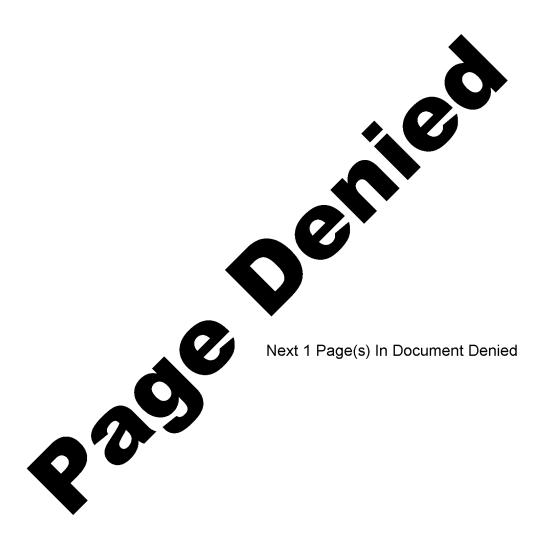


III. MILITARY DEVELOPMENTS IN NORTH VIETNAM

- On 17 July US Navy and Air Force planes hit the Phuc Thien and Thanh Hoa bridges, the Ben Thuy port facility, and the ordnance depot at Yen The Phuc Thien bridge sustained moderate damage, new construction on its eastern approach was destroyed and the highway leading to the bridge was cratered. One span of the Thanh Hoa bridge was damaged and the railroad track on the west side was reported cut. Pilots report that all bombs in the strike at Ben Thuy landed in the target area and caused heavy damage. The entire port area northeast of the ferry landing was smoking and numerous fires were noted. Fifteen rail cars were damaged in the strike on the Yen Bay Ordnance Depot, and at least 11 buildings were reported destroyed or damaged.
- 2. On 18 July strikes by US aircraft against fixed targets hit the Vinh Son army barracks, the barracks at Ban Xom Lom, and the Ham Rong port facilities. Pilots report numerous buildings destroyed or damaged by all three strikes. An attack on storage areas near My Duc was reportedly highly successful. One A6A was reported down in the vicinity of Ham Rong. Rescue operations were begun immediately, but one man was noted landing in a village, while the second was picked up by a small craft after landing in a river. Peiping's new China News Agency claims that two "pilots" were captured there on this date.
- 3. Day and night armed reconnaissance missions over North Vietnam on the 17th and 18th attacked several trucks, as well as some storage buildings, a rail line, and a radar site. No significant sightings were made, however.

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V. COMMUNIST POLITICAL DEVELOPMENTS

- 1. The joint communiqué issued on 17 July following talks between Chinese leaders and the visiting DRV economic delegation states that Peiping will provide North Vietnam with grant assistance in the form of equipment, supplies, and "whole sets of installations" in the fields of national defense and economic development. The language of the communiqué appears designed to indicate that Peiping and Hanoi are moving still closer together.
- 2. It notes that China has already given "enormous support and assistance" and has been "most steadfast" in backing the DRV. The new agreement for economic and technical assistance is said to have been granted with a view to "jointly defeating" the US.
- 3. The speech by North Vietnamese Vice Premier Hoang Van Hoan at a banquet in Peiping on 17 July appeared calculated to convey the idea that China has embarked on a new and larger support effort for the DRV. Hoan declared that the Chinese people are "unfolding" a vigorous campaign to aid Hanoi in resisting the US.
- 4. Soviet Premier Kosygin's most recent denunciation of US actions in Vietnam was relatively aggressive and hardinitting, but did not appreciably advance Moscow's standard commitment to assist the DRV. Kosygin concluded a 17 July speech in Riga with a harsh indictment of the "extremely dangerous" course of US policy. Reflecting Soviet sensitivity to reports that the US is planning a significant increase in its military assistance to Saigon, the Soviet premier warned against "raising the stakes" and included a vague threat that "every new aggressive act" will be met with appropriate resistance "by the forces of national liberation and the Socialist states."

- 5. Kosygin also reiterated Moscow's full support for North Vietnamese Pham Van Dong's four-point formula advanced on 8 April as the possible "basis" for a settlement, and again stressed that the USSR and other Socialist countries would furnish Hanoi with "all the aid necessary to repel aggression." Kosygin's strong speech may have been designed, in part, to counter expected Chinese accusations that his recent meeting with Ambassador Harriman indicates further Soviet attempts to find "a way out" for the US in Vietnam. Pro-Chinese Albania has already levied this charge.
- 6. In an apparent effort to balance his remarks, however, Kosygin bemoaned the fact that the Vietnam situation "prevents the relaxation of international tension," and stressed that Moscow's policies include "actions on behalf of disarmament" and world peace as well as "firm defense" against "imperialist aggression."

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